

May 2025

United Global Quality Growth Fund



Why Invest?

- **High exposure to “compounders”:** The United Global Quality Growth Fund (the “Fund”) invests in “compounders”, which are quality companies that generate sustainably high returns on capital with the ability to reinvest at similarly high returns to drive future growth. We believe quality companies are likely to outperform in a high-rate world.
- **Invest in quality companies that “beat the fade”:** Quality companies can generate high returns on capital over time and avoid the tendency for excess returns to be competed down to a just-adequate level. Hence, higher likelihood of outperformance.
- **Strategically diversified:** To ensure high quality, the Fund holds 40 to 50 names that are well-diversified across sectors. The size of any single holding ranges between 2 per cent to 5 per cent to minimise concentration risk. It is also well diversified with Information Technology, Financials and Industrials being the three largest allocations (as of May 2025).
- **Experienced investment capabilities:** Lazard’s team sub-managed the Fund, which is comprised of experienced professionals with over two decades of sector expertise, and focuses on high-quality companies with a sustainable competitive advantage.

May 2025 Portfolio Performance

The United Global Quality Growth Fund – SGD Acc	+3.13 per cent ¹
Benchmark: MSCI All Country World Index	+4.44 per cent

Source: Morningstar, Performance from 30 April 2025 to 31 May 2025 in SGD terms

¹ Fund performance is on a Net Asset Value (“NAV”) basis, with dividends and distributions reinvested (if any).

Performance Review

Contributor-Diversified electrical connector and sensor maker **Amphenol Corporation** (Amphenol) rose in May 2025 following strong earnings in April 2025, driven by AI revenue growth. We like Amphenol, due to its low capital intensity, high cash-generation business, disciplined approach to acquisitions in fragmented markets, and favourable positioning in AI datacentres.

Detractors- Our underweight position in **NVIDIA Corporation** detracted from relative returns as the company's shares performed well after reporting solid quarterly earnings despite considerable headwinds during the period.

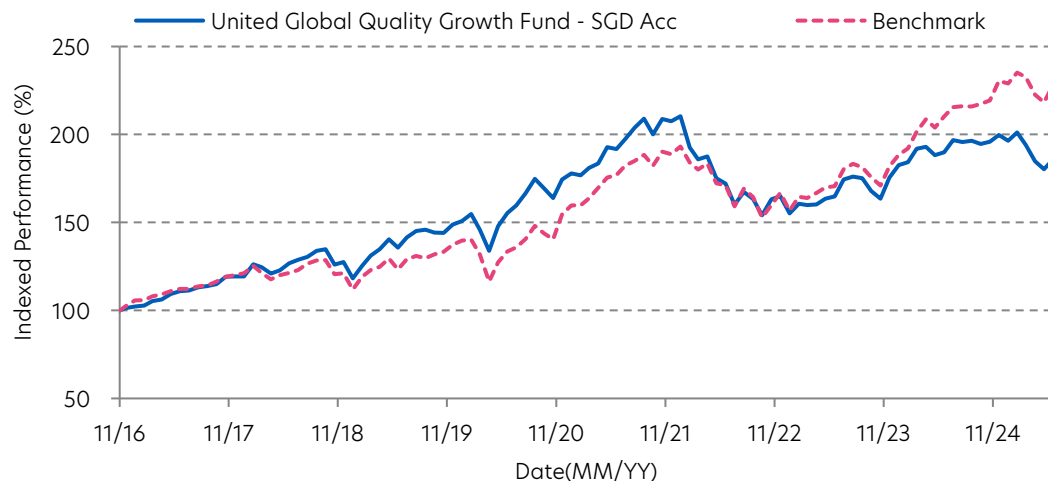
Portfolio Positioning

We are analysing a range of scenarios for each company related to the tariff news. We cannot predict the long-term implications of these developments, as they will depend on (a) how long the tariffs are in place, (b) whether new trade policy announcements will come, and (c) the outcomes of bilateral trade negotiations. We are focused on taking advantage of the turmoil to position the strategy for long-term capital appreciation in the years to come.

Although the recent environment has been difficult, we continue to adhere to our investment philosophy and process, and believe the empirical work done by co-lead portfolio manager/analyst Louis Florentin-Lee in Relative Value Investing and its update, Quality Investing, shows that our philosophy should deliver outperformance over time.

Performance (Class SGD Acc)

Fund Performance Since Inception in Base Currency



Past performance is not necessarily indicative of future performance.

Fund performance is calculated on a NAV to NAV basis.

Benchmark: MSCI All Country World Index.

Source: Morningstar. Performance as at 31 May 2025, SGD basis, with dividends and distributions reinvested, if any.

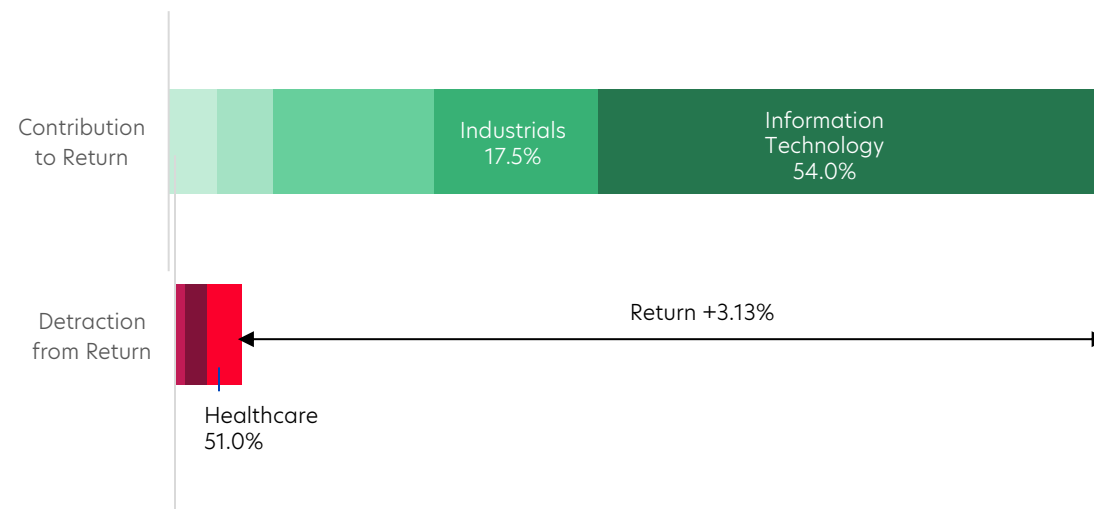
² The United Global Quality Growth Fund- SGD Acc (ISIN Code: SG9999014880) was inceptioned on 11 November 2016.

All statistics quoted in the write-up are sourced from Bloomberg as at 31 May 2025 unless otherwise stated.

	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	3.13	-2.16	2.59	3.64	7.52
Fund (Charges applied [^])	-2.03	-7.05	0.85	2.58	6.87
Benchmark	4.44	8.43	10.03	11.31	10.12

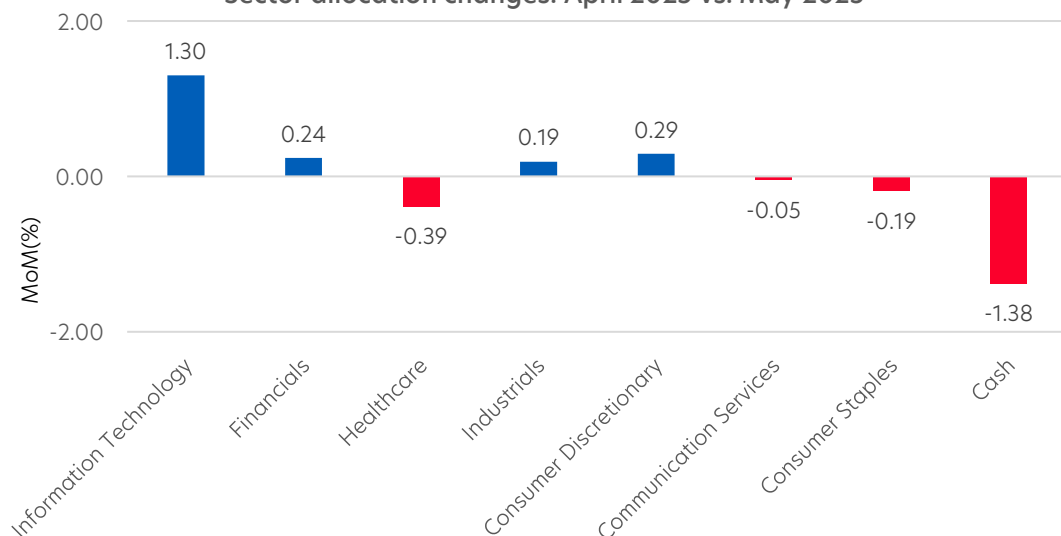
Source: Morningstar. Performance as at 31 May 2025, SGD basis, with dividends and distributions reinvested, if any. Performance figures for 1 month till 1 year show the per cent change, while performance figures above 1 year show the average annual compounded returns. Benchmark: MSCI All Country World Index. Past performance is not necessarily indicative of future performance. [^]Includes the effect of the current subscription fee that is charged, which an investor might or might not pay.

Performance Contributors/Detractors: May 2025

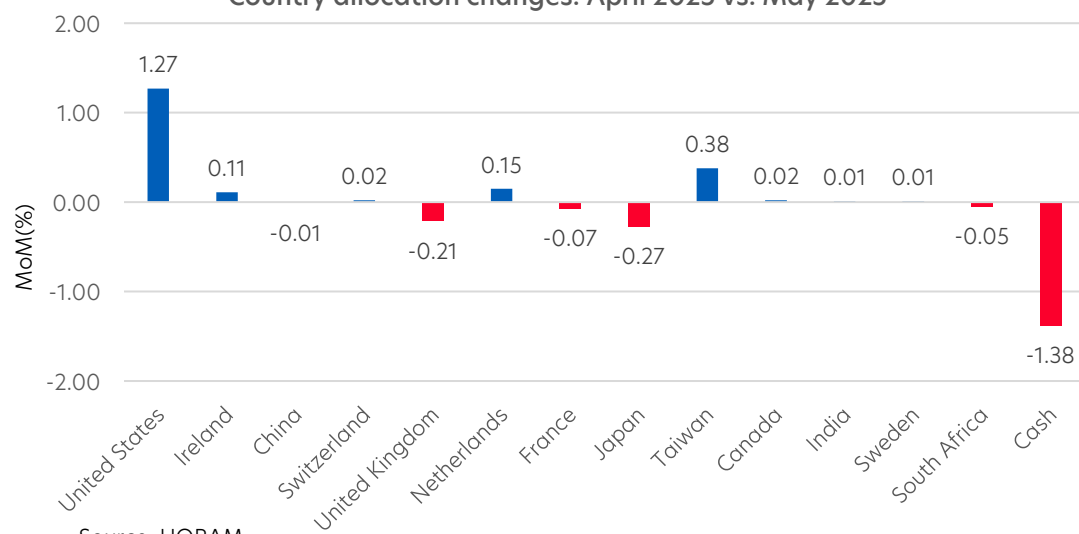


Portfolio Changes

Sector allocation changes: April 2025 vs. May 2025



Country allocation changes: April 2025 vs. May 2025



Portfolio Review

Analyst Insights

In May 2025, we did not make any adjustments to the portfolio.

As shown on the left charts, the biggest increase in the sector allocation changes for May 2025 was in Information Technology (+1.30 per cent). In terms of country allocation changes, the Fund had the most increment in the United States (+1.27 per cent) for May 2025.

Market Review

Equity markets worldwide rose in May 2025, as hopes for reduced global trade tensions and strong corporate earnings boosted investor sentiment.

Stocks rallied after the US and China announced a truce while their trade negotiations continued. Similarly, after an initially negative reaction to the US's proposed 50 per cent tariffs on European Union goods, shares quickly recovered following the announcement of a delay until July 2025 to facilitate the two sides reaching a trade deal. The economic impact of tariffs remained a key focus for the Federal Reserve (Fed), which held interest rates steady for the third consecutive policy meeting in May 2025, citing risks of higher inflation and slower economic growth posed by US trade policy. However, data released during the month showed that domestic inflation remained subdued in April 2025. Later in May 2025, the risk-on market environment was tempered somewhat by concerns about rising national debt after the US House of Representatives passed a tax package expected to increase budget deficits.

In Europe, encouraging inflation data for the eurozone's largest economies raised expectations that the European Central Bank (ECB) would lower interest rates at its policy meeting in June 2025, though the ECB stated that potentially higher prices from US tariffs could limit further reductions. The Bank of England (BOE) lowered interest rates by 25 basis points (bps), citing the need to contain potential adverse impacts on the British economy. Notably, the BOE's rate cut occurred before the US and UK reached a trade deal. Elsewhere on the Continent, central banks in Sweden and Norway left their interest rates unchanged, with both citing the need to gauge the impact of US tariffs on their respective domestic economies.

Meanwhile, the Bank of Japan, as expected, held interest rates steady and reduced its growth forecasts for Japan's export-reliant economy due to the uncertainty of tariffs, though it stated that with domestic inflation headed sustainably towards its 2 per cent target, rate hikes were still possible. In China, the central bank cut interest rates and lowered barriers for banks to increase lending to stimulate the economy.

Against this backdrop, equities in both developed and developing markets rose in May 2025, with the former outperforming the latter. In the US, equities rose and posted the best monthly performance since November 2023, as risk appetites were buoyed by easing trade tensions, strong company earnings results, and subdued domestic inflation. Across the Atlantic, stocks in Europe rose as news of a delay in implementing US tariffs and expectations of an ECB rate cut in June increased risk appetites. Japanese equities recorded a gain. Chinese equities also rose but underperformed on concerns over sluggish economic data and dampened consumer confidence.

Investment Objective

The investment objective of the United Global Quality Growth Fund is seeking to provide long-term total return by investing in equity and equity related securities of companies listed and traded on stock exchanges globally.

Fund Information

Base Currency	Fund Size	Sub-Manager
SGD	SGD 762.21 mil	Lazard Asset Management

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